



DEPARTMENT OF COMMERCE

International Trade Administration

[A-427-831]

Methionine from France: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that methionine from France is being, or is likely to be, sold in the United States at less than fair value (LTFV). Commerce also preliminarily determines that critical circumstances exist with respect to certain imports of subject merchandise. The period of investigation is July 1, 2019, through June 30, 2020. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Zachary Shaykin, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2638.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). Commerce initiated this LTFV investigation on August 18,

2020.¹ On December 14, 2020, Commerce postponed the preliminary determination in this investigation and the revised deadline is now February 24, 2021.² For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics included in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Investigation

The products covered by this investigation is methionine from France. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the preamble to Commerce's regulations,⁴ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁵ No interested parties commented on the scope of this investigation as it appeared in the *Initiation Notice*.⁶ Commerce is not preliminarily modifying the scope language as it appeared in the *Initiation Notice*. *See* the scope in Appendix I to this notice.

Methodology

¹ *See Methionine from France, Japan, and Spain: Initiation of Less-Than-Fair-Value Investigations*, 85 FR 52324 (August 25, 2020) (*Initiation Notice*).

² *See Methionine From France, Japan and Spain: Postponement of Preliminary Determinations in the Less-Than-Fair-Value Investigations*, 85 FR 80774 (December 14, 2020).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Methionine from France," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁵ *See Initiation Notice*.

⁶ Sumitomo's September 8, 2020 scope comments pertain to the product characteristics, and not the scope of the investigation.

Commerce is conducting this investigation in accordance with section 731 of the Act. Pursuant to sections 776(a) and (b) of the Act, Commerce has preliminarily relied upon facts otherwise available, with adverse inferences, for Adisseo France SAS and Commentry (collectively, Adisseo France), the two companies selected for individual examination in this investigation.⁷ For a full description of the methodology underlying the preliminary determination, *see* the Preliminary Decision Memorandum.

Preliminary Affirmative Determination of Critical Circumstances

On February 1, 2021, the petitioner⁸ timely filed a critical circumstances allegation, pursuant to section 733(e)(1) of the Act and 19 CFR 351.206(c)(1), alleging that critical circumstances exist with respect to imports of the subject merchandise from France.

Section 733(e)(1) of the Act provides that Commerce will preliminarily determine that critical circumstances exist in an LTFV investigation if there is a reasonable basis to believe or suspect that: (A) there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and that there was likely to be material injury by reason of such sales; and (B) there have been massive imports of the subject merchandise over a relatively short period.

In accordance with section 733(e) of the Act and 19 CFR 351.206, Commerce preliminarily determines that critical circumstances exist with respect to imports of methionine produced and exported by Adisseo France. Furthermore, we preliminarily determine that critical circumstances do not exist with respect to imports of methionine produced and exported by all

⁷ For the purposes of this investigation, we have considered Adisseo France's responses to Commerce's requests for information on behalf of both Commentry and Adisseo France SAS. For a full discussion on respondent selection in this investigation, *see* the Preliminary Determination Memorandum at 2.

⁸ The petitioner is Novus International, Inc.

other producers and exporters from France. For a full description of Commerce's preliminary critical circumstances determination, *see* the Preliminary Decision Memorandum.

All-Others Rate

Section 733(d)(1)(A)(ii) of the Act provides that in the preliminary determination Commerce shall determine an estimated weighted-average dumping margin for all other producers and exporters not individually examined. Pursuant to section 735(c)(5)(A) of the Act, this rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters or producers individually investigated, excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act. Pursuant to section 735(c)(5)(B) of the Act, if the estimated weighted-average dumping margins established for all exporters and producers individually examined are zero, *de minimis*, or determined based entirely on facts otherwise available, Commerce may use any reasonable method to establish the estimated weighted-average dumping margin for all other producers or exporters.

Commerce has preliminarily determined the estimated weighted-average dumping margin for Adisseo France entirely under section 776 of the Act. Pursuant to section 735(c)(5)(B) of the Act, Commerce's normal practice under these circumstances has been to calculate the all-others rate as a simple average of the alleged dumping margins from the petition. However, because there is only one dumping margin alleged in the Petition (*i.e.*, 16.17 percent),⁹ we used that rate as the estimated weighted-average dumping margin for all other producers and exporters. For a full description of the methodology underlying Commerce's analysis, *see* the Preliminary Decision Memorandum.

Preliminary Determination

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist:

⁹ *See* Petitioner's Letter, "Petitions for the Imposition of Antidumping Duties: Methionine from France, Japan, and Spain," dated July 29, 2020 (Petition); *see also* *Initiation Notice*, 85 FR at 52327, and accompanying France-specific Initiation Checklist.

Exporter or Producer	Estimated Weighted-Average Dumping Margin (percent)
Adisseo France SAS and Commentry	43.82
All Others	16.17

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in Appendix I, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*.

Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit as follows: (1) the cash deposit rate for Adisseo France will be equal to the company-specific estimated weighted-average dumping margin determined in this preliminary determination; (2) if the exporter is not the respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin.

Section 733(e)(2) of the Act provides that, given an affirmative determination of critical circumstances, the suspension of liquidation shall apply to unliquidated entries of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the later of: (a) the date which is 90 days before the date on which the suspension of liquidation was first ordered; or (b) the date on which notice of initiation of the investigation was published. As noted above, Commerce preliminarily finds that critical circumstances exist for imports of subject merchandise produced and exported by Adisseo France. In accordance with section 733(e)(2)(A) of the Act, the suspension of liquidation shall apply to unliquidated entries of shipments of methionine that were produced and exported by Adisseo France that were entered,

or withdrawn from warehouse, for consumption on or after the date which is 90 days before the publication date of this notice in the *Federal Register*.

These suspension of liquidation instructions will remain in effect until further notice.

Disclosure

Commerce intends to disclose to interested parties any calculations performed in connection with this preliminary determination within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Verification

Because Adisseo France did not provide all of the information requested by Commerce and affirmatively stated that it would no longer participate in this investigation, we will not conduct verification as part of this investigation.

Public Comment

Case briefs or other written comments on non-scope issues may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 21 days after the date of publication of the preliminary determination.¹⁰ Rebuttal briefs, limited to issues raised in these case briefs, may be submitted no later than seven days after the deadline date for case briefs.¹¹ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Commerce has modified certain of its requirements for serving documents containing business proprietary information until further notice.¹²

¹⁰ See 19 CFR 351.309(c)(1)(i); and 19 CFR 351.303 (for general filing requirements). Commerce has exercised its discretion under 19 CFR 351.309(c)(1)(i) to alter the time limit for submission of case briefs.

¹¹ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006 (March 26, 2020); and *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (collectively, *Temporary Rule*).

¹² See *Temporary Rule*.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date of the hearing.

Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioner. Section 351.210(e)(2) of Commerce's regulations requires that a request by exporters for postponement of the final determination be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration.

On February 5, 2021, pursuant to 19 CFR 351.210(e), Adisseo France requested a postponement of the final determination of this investigation in the case of an affirmative determination by Commerce.¹³ Furthermore, pursuant to section 733(d) of the Act and 19 CFR 351.210(e)(2), Adisseo France agreed to an extension of provisional measures in this investigation from a period of four to no more than six months.¹⁴ The petitioner submitted an

¹³ See Adisseo France's Letter, "Methionine from France: Request for Postponement of Final Determination and Provisional Measures Period," dated February 5, 2021, at 1.

¹⁴ *Id.* at 2.

opposition to Adisseo France's postponement because of Adisseo France's withdrawal from the investigation.¹⁵

Ordinarily, in accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), Commerce will grant an extension if: (1) the preliminary determination is affirmative; (2) the requesting exporter, and in this case producer, accounts for a significant proportion of exports of subject merchandise; and (3) no compelling reasons for denial exist. In this investigation, Commerce has determined that Adisseo France's withdrawal provides a compelling reason to deny Adisseo France's request for postponement, because Adisseo France represents both mandatory respondents and has withdrawn from this investigation.¹⁶

Furthermore, Adisseo France has indicated that it will no longer respond to Commerce's requests for information.¹⁷ Therefore, because Commerce will not receive further information from Adisseo France for the remainder of this investigation nor conduct verification, Commerce will not be postponing its final determination in this investigation. Moreover, because the final determination will not be postponed, Commerce will not be extending provisional measures. Accordingly, Commerce will make its final determination no later than 75 days after the date of publication of this preliminary determination, pursuant to section 735(a)(1) of the Act.

International Trade Commission Notification

In accordance with section 733(f) of the Act, Commerce will notify the International Trade Commission (ITC) of its preliminary determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether imports of methionine from France are materially injuring, or threaten material injury to, the U.S. industry.

¹⁵ See Petitioner's Letter, "Methionine from France: Opposition to Extension of Final Determination," dated February 9, 2021.

¹⁶ See Adisseo France's Letter, "Methionine from France: Withdrawal from Investigation and Withdrawal of Proprietary Information," dated January 22, 2021.

¹⁷ *Id.* at 2.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act, and 19 CFR 351.205(c).

Dated: February 24, 2021.

Christian Marsh,

Acting Assistant Secretary

for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is methionine and dl-Hydroxy analogue of dl-methionine, also known as 2-Hydroxy 4-(Methylthio) Butanoic acid (HMTBa), regardless of purity, particle size, grade, or physical form. Methionine has the chemical formula $C_5H_{11}NO_2S$, liquid HMTBa has the chemical formula $C_5H_{10}O_3S$, and dry HMTBa has the chemical formula $(C_5H_9O_3S)_2Ca$.

Subject merchandise also includes methionine processed in a third country including, but not limited to, refining, converting from liquid to dry or dry to liquid form, or any other processing that would not otherwise remove the merchandise from the scope of these investigations if performed in the country of manufacture of the in-scope methionine or dl-Hydroxy analogue of dl-methionine.

The scope also includes methionine that is commingled (*i.e.*, mixed or combined) with methionine from sources not subject to these investigations. Only the subject component of such commingled products is covered by the scope of these investigations.

Excluded from this investigation is United States Pharmacopoeia (USP) grade methionine. In order to qualify for this exclusion, USP grade methionine must meet or exceed all of the chemical, purity, performance, and labeling requirements of the United States Pharmacopoeia and the National Formulary for USP grade methionine.

Methionine is currently classified under subheadings 2930.40.0000 and 2930.90.4600 of the Harmonized Tariff Schedule of the United States (HTSUS). Methionine has the Chemical Abstracts Service (CAS) registry numbers 583-91-5, 4857-44-7, 59-51-8 and 922-50-9. While the HTSUS subheadings and CAS registry numbers are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Investigation
- IV. Scope of Investigation
- V. Scope Comments
- VI. Return of Record Information
- VII. Application of Facts Available and Use of Adverse Inferences
- VIII. All-Others Rate
- IX. Critical Circumstances
- X. Recommendation

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